

Message Text

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ACTION STR-07

INFO OCT-01 AF-10 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05
SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01
DOE-15 STRE-00 /124 W
-----000989 132356Z /75

R 131805Z APR 78
FM US MISSION GENEVA
TO SECSTATE WASHDC 8359
INFO AMEMBASSY KINSHASA

LIMITED OFFICIAL USE SECTION 01 OF 02 MISSION GENEVA 05601

USMTN

STR ACTION

STR PASS CODEL

E.O. 11652: N/A
TAGS: MTN,ETRD
SUBJECT: MTN:US ZAIRIAN BILATERAL

REF: KINSHASA 2695 .

1. SUMMARY: USMTN DEL HAS RECEIVED REQUEST LISTS FROM
ZAIRE FOR SPECIAL AND DIFFERENTIAL TREATMENT FOR TARIFF
REDUCTIONS ON INDUSTRIAL PRODUCTS AND FOR AGRICULTURAL
TARIFF CONCESSIONS. REQUESTS FOLLOW ON-GOING SERIES OF
CONSULTATIONS BETWEEN USMTN DEL (MEYERS) AND ZAIRIAN MTN
DEL (LUDUNGE) IN WHICH US HAS EXPLAINED IMPORTANCE OF US
OFFERS TO ZAIRE, HAS ENCOURAGED ACTIVE ZAIRIAN PARTICIPA-
TION IN THE TOKYO ROUND, AND ENCOURAGED APPROPRIATE ZAIRIAN
CONTRIBUTIONS CONSISTENT WITH ITS DEVELOPMENT, FINANCIAL
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AND TRADE NEEDS. US DEL HAS NOTIFIED ZAIRE OF ONE
PRODUCT AREA IN WHICH THE UNITED STATES SEEKS TO NEGOTIATE
IMPROVED MARKET ACCESS. END SUMMARY.

2. IN AN EARLIER MEETING, US DEL OUTLINED THE POTENTIAL
BENEFITS TO ZAIRE OF THE US OFFER TABLED ON JANUARY 23 AND
THE MORE GENERAL BENEFITS FOR ZAIRE OF OVERALL MFN

REDUCTIONS. THE DISCUSSION WAS KEPT GENERAL BECAUSE DUE TO A CURRENT ESCAPE CLAUSE INVESTIGATION THE US HAS YET TO SPECIFY ITS OFFER ON THE ITEM OF GREATEST EXPORT INTEREST TO ZAIRE, TSUS626.02, UNWROUGHT ZINC EXCEPT ALLOYED, IN WHICH ZAIRE EXPORTS \$23.6 MILLION TO THE UNITED STATES IN 1976 OR 5 PERCENT OF TOTAL US IMPORTS. US DEL POINTED OUT THAT US OFFER CONSISTED OF 17 PRODUCTS WHICH ZAIRE EXPORTS TO THE US AND THAT ALTHOUGH SMALL IN TRADE TERMS, SOME OF THE ITEMS MIGHT BE VIEWED AS BEING OF CONSIDERABLE EXPORT POTENTIAL. (EMBASSY FYI EXCLUDING TSUS626.02, THE VALUE OF THE US OFFER TO ZAIRE AMOUNTS TO SOMEWHAT OVER \$3.2 MILLION ON INDUSTRIAL PRODUCTS). US DEL NOTED THAT ON 2 AGRICULTURAL PRODUCTS AMOUNTING TO OVER \$1 MILLION IN US IMPORTS FROM ZAIRE THE US MADE NO OFFER BECAUSE ITEMS WERE NOT REQUESTED BY THE PRINCIPAL SUPPLIER. EVEN THOUGH ZAIRE IS NOT THE PRINCIPAL SUPPLIER, SHOULD ZAIRE HAVE AN INTEREST IN THOSE PRODUCTS IT WAS SUGGESTED THAT THEY SO INDICATE, PARTICULARLY ITEM TSUSA437.49 ENZYMES WHERE ZAIRE ACCOUNTS FOR 3 PERCENT OF TOTAL US IMPORTS. ZAIRIAN DEL REACTED FAVORABLY TO THE US EXPLANATION AND INDICATED ZAIRIAN WILLINGNESS TO PARTICIPATE AS FULLY IN THE MTN AS ITS RESOURCE PERMITTED.

3. IN A DISCUSSION OF POSSIBLE ZAIRIAN CONTRIBUTIONS TO THE MTN AS PROVIDED FOR IN THE TOKYO DECLARATION, THE ZAIRIAN DEL OBSERVED THAT SINCE ZAIRE IS NOT A PRINCIPAL LIMITED OFFICIAL USE

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SUPPLIER OF ANY ITEM TO THE UNITED STATES IN THE US OFFER TO ZAIRE, HIS GOVERNMENT WOULD NOT EXPECT TO MAKE MUCH IN THE WAY OF PAYMENT FOR CONCESSIONS ACCORDED TO OTHERS. US DEL REITERATED THE US POSITION THAT BENEFICIARIES OF THE US OFFER SHOULD EXPECT TO CONTRIBUTE, HOWEVER MODESTLY, TO THE SUCCESSFUL OPERATION TO THE TRADING SYSTEM. THE ZAIRIAN DEL RESPONDED POSITIVELY TO THIS LINE OF REASONING AND EXPRESSED THE HOPE THAT HIS GOVERNMENT WOULD HAVE A RESPONSE TO US REQUESTS BY THE END OF APRIL.

4. THE US NOTIFICATION TO ZAIRE, DELIVERED MARCH 28, CONSISTS OF A REQUEST THAT A NEW DUTY FREE TARIFF CLASSIFICATION BE ESTABLISHED FOR VEGETABLE PROTEIN ISOLATES. (EMBASSY NOTE: ZAIRE DOES NOT CURRENTLY IMPORT THIS ITEM, THUS A DUTY REDUCTION SHOULD HAVE NO IMPACT ON EXISTING TRADE. THE US IS REQUESTING THIS CONCESSION FROM A NUMBER OF LDC'S AS THE PRODUCT IS EXPECTED TO BE INCREASINGLY IMPORTANT IN THE FUTURE.) THIS REQUEST IS IN ADDITION TO THE AGRICULTURE AND NONTARIFF MEASURES INDICATIVE LISTS SUBMITTED TO ZAIRE ON NOVEMBER 1, 1977 CONSISTING OF A REQUEST FOR A TARIFF CONCESSION ON POULTRY (DUTY REDUCTION FROM 51.75 PERCENT TO 26 PERCENT)

AND FOR THE ELIMINATION OF CERTAIN CUSTOMS FORMALITIES
(PRESHIPMENT INSPECTION FOR QUALITY, QUANTITY AND PRICE).
5. THE ZAIRIAN AGRICULTURAL REQUEST LIST IS FOR MFN
REDUCTIONS TO ZERO ON 6 ITEMS. THESE ARE DRIED LENTILS
(TSUS140.35), PALM KERNEL OIL, EDIBLE (TSUS176.33),
GLYCERINE, REFINED (TSUS428.38), ETHYL ALCOHOL FOR
BEVERAGE PURPOSES (TSUS168.34) AND ETHYL ALCOHOL FOR NON
BEVERAGE PURPOSES (TSUS427.88). THE ZAIRIAN REQUEST FOR
IMPROVEMENTS IN THE US INDUSTRIAL TARIFF OFFER
(MAINTENANCE OR IMPROVEMENT OF THE US OFFER AND ACCELE-
RATED IMPLEMENTATION) COVERS 7 PRODUCTS; TUNGSTEN ORE
(TSUS601.54), VENEERS, NOT REINFORCED OR BACKED (TSUS240.0
3) WOOD ARTICLES NOT OTHERWISE SPECIFIED (TSUS207.00),

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L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05
SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01
DOE-15 STRE-00 /124 W
-----000990 132355Z /75

R 131805Z APR 78
FM USMISSION GENEVA
TO SECSTATE WASHDC 8360
INFO AMEMBASSY KINSHASA

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USMTN

STR ACTION

STR PASS CODEL

PRECIOUS AND SEMI-PRECIOUS STONES, CUT (TSUS520.39),
OTHER UNWROUGHT COPPER (TSUS612.06), COPPER ENGRAVERS
PLATES (TSUS653.05) AND UNWROUGHT ZINC (TSUS626.02). THE
ZAIRIAN DEL EXPRESSED A DESIRE TO MAKE A REQUEST ON THE
LAST ITEM EVEN THOUGH THE US HAS NOT SPECIFIED ITS OFFER
SINCE THE PRODUCT IS OF PARTICULARLY GREAT INTEREST TO
ZAIRE.
6. FYI EMBASSY: PRODUCTS CITED ABOVE ARE CLASSIFIED AS

GATT "SECRET" AND SHOULD NOT BE CITED IN CONVERSATIONS
WITH PRESS AND NON-GOVERNMENT CONTACTS.

7. EMBASSY OFFS MAY WISH TO EMPHASIZE TO ZAIRIAN OFFICIAL
THAT THE NEGOTIATIONS ARE RAPIDLY APPROACHING THE MID-
JULY DEADLINE FOR REACHING A POLITICAL AGREEMENT, AND IT
IS IN ZAIRE'S INTEREST TO RESPOND AS QUICKLY AS POSSIBLE
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TO THE MODEST US REQUESTS. YOU CAN ASSURE ZAIRIAN
OFFICIALS THAT THEIR REQUESTS WILL BE GIVEN FULL
CONSIDERATION IN WASHINGTON.

8. DRAFTED BY MEYERS. MCDONALD

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, TARIFFS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA05601
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780159-1034
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780459/aaaabydp.tel
Line Count: 188
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1b63a1b0-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
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Previous Handling Restrictions: n/a
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Retention: 0
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Review Content Flags:
Review Date: 26 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2974920
Secure: OPEN
Status: NATIVE
Subject: MTN:US ZAIRIAN BILATERAL
TAGS: ETRD, US, CG, MTN
To: STATE KINSHASA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/1b63a1b0-c288-dd11-92da-001cc4696bcc
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Declassified/Released
US Department of State
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20 Mar 2014
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